



**COUNTY OF LOS ANGELES
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August 8, 2012

TO: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **DEPARTMENT OF PUBLIC SOCIAL SERVICES – REVIEWS OF
COMMUNITY COLLEGE DISTRICT CALWORKS PROGRAM
COMPLIANCE – SUMMARY REPORT**

At the request of the Department of Public Social Services (DPSS), we completed program, fiscal, and administrative reviews of 13 Community College Districts (Districts). DPSS contracts with the Districts to administer the Community College CalWORKS (CCC) Program. The Districts provide out-of-classroom coordination to help CalWORKS participants complete their education. DPSS paid the 13 Districts a total of approximately \$2.2 million on a cost-reimbursement basis for Fiscal Year (FY) 2011-12.

Our reviews covered a sample of transactions for each District from FY 2011-12. We also visited the offices of all 13 Districts between January to April 2012.

Review Summary

The Districts provided the required services to eligible participants, and generally had adequate controls over their business operations. However, five (38%) of the 13 Districts did not always comply with all of the County contract requirements. Specifically:

- Four (31%) of the Districts did not have criminal background clearances for a total of five employees. After our review, the Districts obtained clearances for all five employees.

- One (8%) of the Districts did not have the required employment eligibility forms for two (50%) of the four employees reviewed. After our review, the District obtained the eligibility forms for the employees.
- One (8%) of the Districts did not complete monthly bank reconciliations timely, and did not have the reconciliations signed by the preparer or the reviewer timely.
- One (8%) of the Districts inappropriately allowed an individual with a criminal record to work on the CCC Program without the required pre-approval from DPSS. The District indicated that the employee had worked on the Program for ten years. We recommended that the District reassign the employee, or request DPSS' approval to allow the employee to continue working on the Program. DPSS subsequently granted an exception to allow the employee to continue working on the Program.

A summary of findings by District is attached.

Review of Report

We discussed our findings with DPSS and each of the Districts. The Districts agreed with our findings and recommendations, and indicated they will work with DPSS to ensure that the recommendations are implemented.

Because of the number of Districts, we have not attached copies of the individual reports. However, copies of the reports are available for your review upon request. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

WLW:JLS:DC:AA:JS

Attachment

c: William T Fujioka, Chief Executive Officer
Sheryl L. Spiller, Director, Department of Public Social Services
Public Information Office
Audit Committee

Summary of Findings by Community College District

#	Community College District	Contract Amount	Findings ¹
1	Antelope Valley	\$ 115,000	C
2	Cerritos	90,000	
3	Citrus	53,000	
4	Compton	136,000	A
5	El Camino	126,000	
6	Glendale	191,000	A
7	Long Beach	205,000	
8	Los Angeles	973,000	A & B
9	Mt. San Antonio	86,000	
10	Pasadena Area	89,000	A
11	Rio Hondo	55,000	
12	Santa Clarita	17,000	
13	Santa Monica	64,000	
	TOTAL	\$ 2,200,000	

Code Summary

- A** The District did not have criminal background clearances for one or more employees.
- B** The District did not have the required employment eligibility forms for two (50%) of the four employees reviewed.
- C** The District did not complete monthly bank reconciliations timely, or have the reconciliations signed by the preparer or reviewer timely.

Footnote

- 1** The summary does not identify the District that did not obtain pre-approval for an employee with a criminal record to work on the CCC Program because of privacy concerns.